



ENRD Workshop

Implementing the CAP Green Architecture

Highlights report

This ENRD Contact Point workshop, organised as part of the Dutch Ministry of Agriculture, Nature and Food Quality hosted International Conference 'It's time to fly' aimed to support the fine-tuning of relevant interventions within the new green architecture of the CAP. Run in parallel with the 23rd NRN meeting, this provided an opportunity for participants from both events to exchange on the topic in common plenary sessions. The meeting explored possible approaches and solutions for maximising environmental and climate ambition through the range of interventions Member States plan to use in their CSPs, contributing to the EU Green Deal targets. Discussions focused on: eco-schemes; organic farming; biodiversity; nitrogen, fertilisers and pesticides; climate and soil; and collective approaches to the implementation of EAFRDfunded agri-environment-climate measures. Field trips organised by the Dutch NSU complemented these discussions, providing an opportunity to attend one of five parallel field visits to EAFRD-funded projects in the Heerenveen area. These included Nature inclusive dairy farming, Agricultural Nature and Landscape Management, Dairy factory Royal A-ware, the free Colonies of Benevolence and The Farm of the Future.

Event Information

Date: 20-21 September 2022 **Location:** Heerenveen, Netherlands **Organisers:** ENRD Contact Point

Participants: Managing Authorities of the future CAP Strategic Plans and Paying Agencies from 24 Member States (MSs), NGO representatives, and European Commission officials.

Outcomes: Exchange of experiences and approaches related to the design of green interventions under the new CAP Strategic Plans (CSPs), challenges encountered and expected and possible solutions to overcome them.

Web page: ENRD Workshop on Implementing the

CAP Green Architecture

Opening of the international conference

Mihail Dumitru (Deputy Director-General, European Commission, DG AGRI) opened the overall conference recalling the founding objectives of the CAP – ensuring food security, a fair income for farmers and reasonable prices for consumers – more relevant than ever today vis a vis the dramatic economic and social consequences of the war in Ukraine, including inflation and increasing prices of energy, agricultural inputs and commodities. In addition, the new CAP is expected to support the longer-term transition to more sustainable climate resilient farming systems, contributing to the delivery of the EU Green Deal goals. The new green architecture of the CAP, including the new enhanced conditionality applied to both pillars of the policy, and the new green interventions under Pillar 1 – notably the eco-schemes – allow Member States to factor a greater level of environmental and climate ambition into their CAP Strategic Plans. This level of ambition has been central to the negotiations for the adoption of the CSPs. In particular, negotiations on GAEC 7 (crop rotation in arable land) and GAEC 8 (share of agricultural area devoted to non-productive areas or features) have been difficult; however, there is confidence that all CSPs can be approved by the end of the year and implemented as of January 2023.

Annemiek Hautvast (CAP Strategic Plan Director, Ministry of Agriculture, Nature and Food Quality, the Netherlands) emphasised the important intergovernmental cooperation – between the Ministry, the provinces and the water boards (paying agencies) – supporting the drafting of the Dutch CAP Strategic

Plan. The Dutch approach is area-based, rather than at farm level: 20% of the CAP budget will be used to support farmers collectively working together (implementing EAFRD-funded agri-environmental-climate measures as well as cooperation initiatives). To this end, circa 1 billion EUR (30% of resources) will be transferred from (CAP) Pillar 1



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schemes, farmers can flexibly choose the eco-schemes they prefer and will be more highly remunerated if they implement more practices. The Dutch CSP will also support the reduction of nitrate pollution – one of the biggest challenges to be faced by Dutch agriculture in the coming years – along with a cut to the national herd by 30%. The government aims to bring 74% of Natura 2000 areas, currently nitrogen-sensitive areas, below the deposition level of nitrogen by 2030. 'Derogations' for nitrate pollution – applied in recent years – will no longer be tolerated.



Prof. Dr. Martin Scheele (Honorary Professor, Humboldt University) highlighted the wide degree of flexibility that the new CAP framework offers Member States to deal with different conflicting challenges, in different territories which require differing responses. The new CAP, with its new delivery model, is fit to deal with the current complex scenario, as it can adjust to differing circumstances. In addition to this wider flexibility, the budget allocated to the policy survived without significant cuts on the condition that the CAP delivers public services addressing society's increasing demand for environmental care,

climate action and animal welfare. The policy framework is appropriate, while only time will tell us if the solutions proposed on the ground will meet the expectations and needs effectively. It is now essential to set the right priorities for interventions to be supported by the policy. He underlined that there is much more work to be done and room to further improve things, including harnessing the full potential of technological developments to produce more efficiently, but we should be glad that the CAP is still there to support what the sector alone struggles to deliver: public goods, social stability, environmental assets, and climate action.



<u>Gregorio Davila-Diaz</u> (European Commission, DG AGRI) provided an update from the Commission's perspective regarding the negotiations and adoption process of the new CSPs, stressing the importance of raising the bar in terms of environmental and climate ambition. To this end, for each draft CSP, the Commission is carefully assessing the starting baseline and compliance with the conditionality

requirements – to ensure a level playing field and the common elements of the Policy, while respecting the specificities of each different Member State – as well as the design of interventions and their financial allocations. All CSPs adopted thus far (AT, DK, ES, FI, FR, IE, LU, PL, PT) have reserved more than the mandatory 35% of EAFRD resources for environmental and climate-related objectives; while with regard to the minimum amount of direct payments to be reserved for eco-schemes under the EAGF, some CSPs have reached the required 25%. Others have not and relied on the 'rebate mechanism', planning a greater expenditure for environmental and climate goals under Pillar 2. In terms of intervention types, main practices supported under the eco-schemes are soil conservation and support for landscape features and non-productive areas.

Aard Mulders (Ministry of Agriculture, Nature and Food Quality, the Netherlands) presented the Dutch approach to the development of a 'green-blue architecture' under the CAP Strategic Plan, combining different intervention types and targeting climate change mitigation, farmland birds, water quality and nitrogen reduction. The approach is based on the combination of three levels of area-related

interventions aiming to achieve a biodiverse landscape: i) interventions supporting a basic quality for climate and the environment (combination of GAECs and eco-schemes); ii) interventions supporting a functional agrobiodiversity (eco-schemes and agri-environment-climate measures (AECMs)); iii) interventions supporting the conservation and restoration of habitats (AECMs and cooperation). All the available green interventions under the CSP (including eco-schemes, AECMs, basic income support for sustainability (BISS), also supported by cooperation, investments, knowledge transfer, and innovation) are being used in synergy with the conditionality requirements to deliver the set objectives. The overall ambition is to support a shift towards more sustainable agricultural practices, but this needs to be clearly communicated to farmers, involving them actively in the process of change.







Breakout group discussions - main outcomes



Group 1: Eco-schemes

Introduced by:

- <u>Estelle Midler</u>, Institute for European Environmental Policy (IEEP)
- <u>Emma Svensson</u>, Swedish Board of Agriculture, Sweden

New opportunities

• Through eco-schemes, MSs have introduced new practices not previously funded by the CAP (e.g. precision farming), or extended existing measures (e.g. extension of GAEC 8 to promote more landscape features on farms). In some other cases schemes have been moved from Pillar 2 to Pillar 1 (e.g. AECMs and organic farming).

Challenges & needs identified

• The monitoring and controls of any practices involving grazing or crop diversification, a precondition for the payment of the aid, might be complicated and imply additional costs for farmers to provide data – e.g. taking geo-tagged photos.



Group 3: Nitrogen, fertilisers and pesticides

Introduced by:

· Jan Willem Erisman, Leiden University

New opportunities

• The new CSPs provide MSs with flexibility to implement a variety of different approaches to limit the use of fertilisers and pesticides and reduce nitrogen emissions. Some MSs structured all relevant interventions under a whole-farm payment scheme, while others relied on individual eco-schemes (in some cases over 20 different ones).

Challenges & needs identified

• A uniform payment rate may be inadequate to address the specificities and needs of certain regions and to incentivise uptake of relevant practices. It is important to acknowledge regional and local specificities and target them with different schemes, developing tailor-made solutions, applying different schemes and different payment rates.



Group 2: Organic farming

Introduced by:

- · Henk Smit, Farmer, Netherlands
- <u>Susanne Harder Gabrielsen</u>, The Danish Agricultural Agency, Denmark

New opportunities

• MS are thinking creatively how to use the new mix of CSP interventions to support the implementation of the new EU Organic Action Plan at national level. A popular approach adopted by several Managing Authorities consists of moving organic farming from rural development (Pillar 2) to direct payments (Pillar 1, under eco-schemes).

Challenges & needs identified

• Targeting investments to support organic farmers is a key difficulty. Ensuring correct information for farmers on the requirements of newly designed schemes, particularly under Pillar 1, to secure uptake is not easy. Advisory services and training and information will be very much needed during the first phase of implementing the new interventions.



Group 4: Pollinators & Biodiversity

Introduced by:

• <u>Kaley Hart</u>, ENRD Contact Point & Institute for European Environmental Policy (IEEP)

New opportunities

• MSs sought to increase interventions promoting pollinators under the new CSPs – through conditionality, eco-schemes and AECMs. Common practices were increasing the protection and management of landscape features, creating biodiversity patches within the farmed environment, providing winter cover and flowering strips.

Challenges & needs identified

• Communicating and demonstrating to farmers the long-term benefits for themselves resulting from interventions promoting pollinators is a key need and a challenge at the same time. Some farmers are often reluctant to take actions that promote wild plants into their farms as some of these can be poisonous to horses and cattle (e.g. ragwort).



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Group 5: Climate & Soil

Introduced by:

- Carlo Vromans, Dutch Ministry of Agriculture, Nature and Food Quality
- <u>Emma Svensson</u>, Swedish Board of Agriculture, Sweden

New opportunities

• The enhanced conditionality and additional green interventions made available under Pillar 1 in the new CSPs allow more flexibility to address the needs of different types of soil (e.g. sandy versus peaty soils) requiring different actions. The different soil types and contexts may determine how the conditionality requirements are applied (i.e. GAECs 2 – protection of wetlands and peatlands, 5 – minimum tillage, and 6 – soil cover).

Challenges & needs identified

• Participants highlighted the need for countries to work together, learn from each other, and collaborate on the development of their interventions (e.g. SE and FI co-meeting with the European Commission to discuss the designing of interventions, even though their schemes eventually came out very differently based on context). In this sense the network can be of help too, facilitating exchanges.



Group 6: AECM & Collective approaches

Introduced by:

- Jetze Genee, Friesland Province, the Netherlands
- Jerome Walsh, Department of Agriculture and Food and the Marine, Ireland

New opportunities

• Learning from the successful Dutch and Irish experiences, new collective approaches are being proposed under the new CSPs in different MSs (e.g. new pilot in Portugal) covering different objectives (soil and water quality, biodiversity conservation, climate action). Eco-schemes are more flexibly accessible to individual farmers (in the Netherlands, AECMs are implemented exclusively through the collectives).

Challenges & needs identified

• Understanding the relationships between GAECs, eco-schemes, and EAFRD payments is necessary to avoid double funding, but it is not straightforward. If this relationship and synergy across the different intervention types is not well communicated, there is a risk of having 'competing interventions' and farmers may choose to implement only the ones that pay the most.

Closing panel discussion — Joint efforts for delivering green goals: 'How can we all cooperate?'

Henk Reinen (Director of Regiebureau/NSU, the Netherlands) highlighted the ways the CAP has changed, moving from being mainly economy oriented to becoming more and more environment and climate focused, which in the Netherlands means an increasing attention to the levels of nitrogen, CO2 and to water quality. Communication plays a crucial role and it is important to correctly communicate with the farmers, explaining the overall expected goals, letting them decide which set of interventions they want to implement to reach the objectives. In the Netherlands during the design of the CSP, farmers collaborated with the Managing Authority, testing approaches and providing suggestions and feedback to inform the planning of the interventions. Similarly, for the correct implementation of the Plan, it will be essential to provide all relevant stakeholders (including farmers, NGOs, advisors) with adequate opportunities for interaction and to express their views on the supported interventions to further improve them.

Alžběta Prochazkova, WWF-Central and Eastern Europe, Czech Republic underlined the important role that NGOs can play to improve the design and implementation of green interventions under the CSPs. The general lack of understanding between people working in agriculture and those engaged in environmental care and climate action must be overcome by improving communication and through cooperation. Environmental NGOs in central/eastern Europe are usually seen by farmers as annoying and not promoting something of public interest and also of interest to farmers. NGOs are there to assess the CAP, including the new interventions (i.e. the eco-schemes) and can provide useful suggestions for improvement. Advisory services are also of utmost importance to support farmers' understanding and implementation of the new schemes. Finally, the EU CAP Network can support farmers implementing green interventions by showcasing examples of good practice.

Alex Datema (farmer and chairman of the BoerenNatuur, the Netherlands) shared the perspective of farmers, demanding greater freedom in the choice of intervention types and practices to be implemented at farm level to achieve the goals of the Policy. The new delivery model of the CAP – moving the focus from the implementation of measures to goals – might not be enough: farmers demanded greater changes, but there are still rigid rules and top-down guidance. Real changes must come from farmers, not from above. Along these same lines, the priority is now to make sure that farmers are well informed about the new schemes they are expected to implement in the coming years. Communication and advisory services should fill the information gaps. NGOs too can be of great help: their 'complaints' are actually also free advice and should be taken into consideration to improve the way we farm. The complexity of the system will land on farm level, so we must be patient, respect farmers and make sure we learn fast from what is going wrong in the field, being ready to adjust the schemes and the policy framework as necessary.

